

## CalPERS Forecast Total Risk (1 Standard Deviation) - One Year Horizon December 31, 2008

<u>Asset Class</u>	<u>Policy Risk Benchmark</u>	<u>Portfolio Risk</u>	<u>Benchmark Risk</u>	<u>Asset/Liability Assumptions</u>
Global Equity	Total GE Blend Benchmark	24.7%	25.1%	15.5%
Global Fixed	Global Fixed Income	8.8%	7.5%	6.5%
Real Estate	NCREIF Proxy	24.7%	19.5%	17.0%
Alternative Investment	AIM Benchmark Proxy	31.8%	43.1%	25.0%
Inflation Linked	CPI	25.6%	7.8%	14.0%
Cash	US Dollar	0.5%	0.0%	1.5%
<b>TOTAL FUND</b>	<b>Total Fund Blended Benchmark</b>	<b>17.2%</b>	<b>17.9%</b>	<b>11.4%</b>

### Total Fund Risk History of 1 Year Forecast Total Risk

